

**HOME IN SCOTLAND**  
**Minutes of Board Meeting**  
**held on 23 May 2023 via Conference Call**

**PRESENT**

Susan Deacon	Chair
Ian Campbell	Vice-Chair
Catherine Wood	Board Member
Gavin MacKenzie	Board Member
Robyn Inglis	Board Member
Mark Henderson	Board Member/ Chief Executive
Helen Meehan	Board Member/ Chief Finance Officer

**IN ATTENDANCE**

Audrey Simpson	Director of Scotland
Charlotte Burnham	Company Secretary/Head of Governance and Risk
Jacqui Mills	Governance Business Partner
Chris Hopkins	Director of Financial Planning and Reporting (Agenda item 4.1)
Karen Wolstencroft	Head of Service Delivery (Agenda Item 4.3)
Callum Foster	Director of Finance (Agenda Item 4.5)
Austin Woods	Director of Legal Services (Agenda Item 5.4)
Danielle Bailley	Lead Auditor (Agenda Item 6.1)

**2531 CHAIR'S OPENING REMARKS AND APOLOGIES**

The Chair welcomed everyone to the meeting and was delighted to welcome new Board Member Robyn Inglis to her first Board meeting.

The Chair then referred to Mary Finnegan's recent resignation and formally recorded the Board's thanks for Mary's considerable contribution during her many years on the Board.

Apologies were received from Gillian Campbell.

**2532 DECLARATIONS OF INTEREST**

The Board reviewed and **NOTED** the Declarations of Interest.

**2533 ACTION POINTS**

With most actions now complete, the Board **NOTED** the Action Points which would be updated following today's meeting.

**2534 DRAFT MINUTES OF THE BOARD MEETING HELD ON 7 MARCH 2023 (FULL AND REDACTED SET)**

The Board **APPROVED** both full and redacted minutes as a true record of the meeting.

**2535 DRAFT MINUTES OF ACTION COMMITTEE HELD ON 16 MARCH 2023 – HOME IN SCOTLAND BUDGET**

The Board **APPROVED** the minutes as a true record of the meeting.

**2536 DRAFT MINUTES OF ACTION COMMITTEE HELD ON 3 APRIL 2023 – BOARD APPOINTMENT**

The Board **APPROVED** the minutes as a true record of the meeting.

**2537 BOARD, COMMITTEES AND COMPANY SECRETARY UPDATE**

Charlotte presented the Company Secretary updates within the report and highlighted the Annual Gifts, Hospitality, Payments and Benefits and Whistleblowing reported cases for Scotland for 2022-23.

The following updates were heard from the respective representatives for each Board and Committee:

- (a) Home Group Board – The Chair advised that there was ongoing discussion on how the strategic objective to deliver Right Homes, Right Places would be best achieved.
- (b) Audit Committee – Gavin reported that the audit team have been working on stress testing financial covenants.
- (c) Health and Safety Governance Committee – Ian updated that Scotland has 100% completion rate of Fire Risk Assessments. There was also a discussion around inconsistency of data being reported in H&S reports to Board and Committee which has now been addressed.

The Board **NOTED** the Board, Committees and Company Secretary Report.

**2538 DIRECTOR OF SCOTLAND REPORT**

Audrey updated the Board on the following key issues as part of her Director of Scotland update:

- (a) SHR Risk Assessment – Seven key areas the Regulator will focus on: Homelessness, Performance, Stock Quality, Tenant and Resident Safety, Development, Financial Health and Governance.

Home in Scotland is of systemic importance to the Regulator as a larger organisation with an active development programme.

The SHR will also send a representative to observe a Board meeting this year, as is standard practice.

- (b) Mid-Market Rents - Scottish Government is consulting on the impact to the supply of MMR as a result of current rent controls. If the Government does not reclassify mid market rent, it could prove to be detrimental to the viability of that tenure.
- (c) Great Places to Work Survey- Scotland achieved a positive score of 84% which is an improvement on last year and slightly above the wider group score.
- (d) HiS Branding - To maximise impact and demonstrate our commitment in Scotland as a Scottish Registered Social Landlord (RSL), it is intended to develop new branding which will align to our registered name "Home in Scotland" with the strap line "part of Home Group".

A discussion ensued around branding and the positioning and profile of Home Group within Scotland.

The Board **NOTED** the Directors Report and **AGREED** there should be a wider informal discussion on profile and branding of Home in Scotland the evening before the June Board meeting.

## **2539 FIVE YEAR FINANCIAL PLAN**

Chris presented the five-year financial plan highlighting the following in his report:

- (a) Core assumptions agreed at February Board have informed the financial, operational and development plans.
- (b) The FYFP will see SBT grow from £3.4m in 2023 to £5.4m by 2027, delivering 800 new homes, 600 for general needs let.
- (c) Stress testing has determined that the FYFP is robust
- (d) The FYFP is ready for submission to the Scottish Housing Regulator.

The Board **APPROVED** the Five-Year Financial Plan.

## **2540 STRATEGIC PROGRESS REPORT – UPDATE AND REVIEW**

Audrey presented the strategic progress report advising that she is keen for the Board to collectively assess and discuss our strategic direction.

Fifteen key objectives with an associated fifty-eight tasks were Scheduled for completion by 31 March 2023. Significant progress has been made, however, it was acknowledged that some of the tasks will be ongoing due to their nature or complexity.

Audrey highlighted some of the key priorities for 2023-24, including delivery of 371 new homes, develop and implement a community plan, collect Equality, Diversity and Inclusion data and embed across the organisation to enhance customer services, undertake ARC Customer Satisfaction Survey, pursue new partnerships and deliver planned maintenance programme.

A discussion ensued around rent harmonisation and how this should figure in the strategic plan given the work which was previously carried out. It was noted that the Board had deferred this work from May 2022 due to the economy and cost of living crisis. It was agreed that a report outlining the legacy work around rent harmonisation and where we are to date should be brought to Board. In the meantime, Board Members should review the proposed revisions in tracked changes on the Strategy and Business Plan and ensure they are comfortable with the content.

The Board **AGREED** to **NOTE** the Strategic Progress Update and annual review of the Strategy and Business Plan which would be considered further for final approval at the June Board meeting.

**2541****ANNUAL RETURN ON THE CHARTER 2022-23**

Karen Wolstencroft presented the Annual Return on the Charter submission to the Board and outlined the internal processes in collating the annual data to provide a level of comfort and assurance to the Board.

The top line data highlighted to the Board focused on tenancy refusals and sustainment, repairs timescales and medical adaptations. There has been an increase in the number of refusals this year at 37.43% but this is in direct comparison with last year 27.21% when lockdown was still having an impact on allocations and offers. Tenancy Sustainment has improved this year and it is a result of the work undertaken on the new Tenancy Sustainment Strategy. Repairs and Maintenance performance has been good with Repairs Right First Time improving on last year but still room for improvement this year.

Medical Adaptations have decreased this year but due to external factors with the number of referrals received.

Rent Arrears and Void turnover has reduced this year whilst there has been an increase on the former tenant arrears write-offs, due to a change in an internal process. A new team are in place and should manage the process well this year.

Charlotte provided assurances to the Board, that in response to the Internal Audit of the ARC process in 2022, the Governance team had been fully involved in co-ordinating this year's return with documented processes now introduced in particular the adherence to reporting deadlines to ensure Board assurance and sign-off in a timely manner.

The Board thanked all those who had undertaken this work and **APPROVED** the Annual Return on the Charter submission for 2022-23.

**2542      TREASURY REPORT**

Helen presented the Treasury Report advising that Scotland has drawn debt of £99m with a borrowing plan to retain liquidity for the next 18 months. A £15m loan has been successfully drawn from Allia which will support the development programme in Scotland.

The £20m intercompany loan agreement with Home Group expired on 9 May 2023 and it is proposed that a new £20m loan agreement with Home Group is agreed over five years.

The Board **APPROVED** re-entering into a new £20m loan agreement over a five year term and **DELEGATED** authority to the Legal Services team to sign the agreement under the common seal.

It was noted that Robyn Inglis left the meeting at 11.15am.

**2543      QUARTER FOUR FINANCE REPORT**

Callum presented the Quarter Four Finance Report highlighting full year surplus of £3m, £1.3m behind budget and £0.2m behind forecast.

The main driver of the variance is a £1m spend on building safety surveys which were not included within the budget. There are no other significant variances across the management account categories.

The year end accounts will now be subjected to audit in May 2023 and audited accounts will be presented to Board in August 2023.

The Board **NOTED** the Quarter Four Finance Report.

**2544      QUARTER FOUR PERFORMANCE REPORT**

Audrey presented the Quarter Four Performance Report highlighting good arrears, repairs and void performance this quarter. She also advised that the team attended training to upskill Housing Managers on Universal Credit to ensure they are equipped to deal with the continuing issues facing customers. In addition, training on 'tone of voice' and difficult conversations had been delivered.

There has been continuous improvement with Repairs Right First Time through the course of the year.

Similarly, Tenancy Sustainment has experienced a continual improvement in the last three years.

Some positive customer feedback was shared from a customer appreciative of funding support package received.

Audrey updated that the areas for prioritising this year are income maximisation and a continued focus on improving Repairs Right First Time and appointments made and kept.

Following discussion and questions from members, the Chair commented that performance reporting has improved significantly and the Board **NOTED** the content of the Quarter Four Performance Report.

**2545            QUARTER FOUR COMPLAINTS REPORT**

Audrey presented the Quarter Four Complaints report highlighting good performance in meeting target 100% timescales for Stage Two complaints whilst achieving 94% target response times at Stage One.

The main driver for complaints is repairs and maintenance issues.

The Board **NOTED** the Quarter Four Complaints Report.

**2546            QUARTER FOUR HEALTH AND SAFETY PERFORMANCE REPORT**

Austin presented the Quarter Four Health & Safety Performance Report highlighting no RIDDOR reportable accidents, low number of accident reporting due to low risk work environments. A recent drive on fire safety awareness has increased the number of colleague reports of fire events. Novus reported zero work place accidents this quarter.

All Fire Risk Assessments are at 100% completion by their anniversary dates. There are seven live medium risk actions recorded on our system.

Austin provided an update on a recent query regarding fire safety at Salamander Court. He advised that extensive remedial works relating to internal compartmentation and upgrading fire detection at Salamander and Robertson Gait had been completed in 2019/20 to reduce risks to our customers. A subsequent External Wall Fire Risk Appraisal determined that the system complies with fire safety legislation.

A discussion ensued around live fire risk assessment actions and it was **AGREED** that all risks including low risks are recorded in the system and reported to Board.

The Board **NOTED** the Quarter Four Health and Safety Performance Report.

**2547            ASSURANCE SERVICES ANNUAL REPORT**

Danielle presented the Assurance Services Annual Report highlighting that twenty six audit reviews were completed across the Group with two Home in Scotland specific audits. These audits were focused on Arrears and the Annual Assurance Statement with Significant and Reasonable Assurance outcomes reported respectively. There were no high rated findings recorded for either audit.

In total, nine findings were raised, none of which were given a high priority rating. From the nine findings, 14 audit actions were agreed. Of the 14, nine have been completed by management and five are in progress.

There will be one Home in Scotland specific audit this year which will focus on Tenancy Sustainment.

The Board **NOTED** the Assurance Services Annual Report.

**2548            STRATEGIC RISK UPDATE**

Charlotte presented the Strategic Risk Update advising that there are five risks on the Home in Scotland Register with appropriate action plans in place to mitigate each.

A key focus will be monitoring the upcoming review of the Regulatory Framework in Scotland, supporting customers through the impact of economic challenges, inflation and cost of living increases and the pressure on the sector around damp and mould .

The Chair noted that consideration was being given to scheduling focused Board discussion on risk management later in the year and the Board **NOTED** the Strategic Risk Update.

**2549            PROGRAMME OF BUSINESS 2023**

The Board **NOTED** the programme of Business 2023 which will be subject to change, including the detail on the June meeting.

**2550            ANY OTHER BUSINESS**

No other business was discussed.

**2551            DATE OF NEXT MEETING – 6 JUNE 2023**